

Rio Buena Vista H.O.A.
Annual Meeting Minutes
April 21st, 2018
Draft – Subject to Approval

The Annual Meeting was called to order by the President Jeanine Davies at 9:00 A.M. Those present were asked to sign their name on an attendance sheet which will be kept on file with these Minutes.

The President verified quorum and made a last call for Board Election Ballots. Voting was closed and the ballots were tabulated.

Elected to the Board were Allen Lyon and Matt Hinderliter.

Guest speaker John Crocker from Sunland Asphalt was introduced and he presented his proposal to provide maintenance to the asphalt roads. His bid includes filling the cracks with Maxwell Elastoflex 380 crack sealant, applying 2 coats of MasterSeal Liquid Road Sealer with a squeegee application, and re-stripping the parking areas. The bid price is \$41,235.00. John answered questions regarding his bid from the owners in attendance.

OLD BUSINESS:

The Board provided an update on the City Needles taking ownership of the utilities in Rio Buena Vista. The City wants the Association pay them \$40,000.00 to move forward with a 2nd engineering study. The Board has not agreed to pay this. The Association has already paid \$10,000.00 to the City of Needles to put the pieces together to start the special assessment district and do the first engineering study. Board Member Allen Lyon explained that there are some problems with the sewer. The sewer lift station is not deep enough, therefore, it backs up sometimes. It needs to be lowered to stop smells in the entrance. We have water on a timer that dumps water into the lift station each day, to help the flow. There are saddles in lines and dipping bellies along Beach Drive. Sewage sits and ferments in these areas. The HOA now flushes and cleans the lines 2 times a year to combat the odor. It is the City of Needles that says the HOA owns the sewer and water lines. The Board has been collecting information and documents and has an Attorney looking into this. At this point, the City of Needles' position is they have never accepted the Sewer system, even though it appears they released the bonds. The City says they will accept the sewer system after the 2nd engineering study is complete; paid for by Rio Buena Vista. Owners in attendance asked how the homes were sold before the utilities were accepted by the City. The Board does not have the answer to that question and is investigating the release of the bond. The sewer lines have to be fixed. The Board needs to figure out if it is better to keep the lines and fix and maintain the lines ourselves, or have the City do the assessment district so it could be done by the City with a bond measure and then everyone would pay it back in the property tax bill. Former Board Member Jeanine Davies reported that during an initial meeting with the City Manager she was told the 6 properties that are not members of the HOA were built before this community was re-subdivided. One of the reasons the district was suggested was so the homes not in the HOA would also have to pay. This was an option to fix the problem and make it affordable. Allen Lyon stated that judging by the City's

track record, if the City takes it over, it may not be properly fixed and maintained. Allen stated concerns that the City will not be satisfied with the additional \$40,000.00 and ask for more later. Allen stated we can pay an Attorney to try to make the City fix it, or we can pay to fix it ourselves. Board Member Boyce Godsey stated all the documents we find make it clear to him that the City does own the sewers and is responsible for it. Boyce would like to keep the money and use the \$40,000.00 to get the sewer system fixed even if we have to raise dues or ask for a special assessment to do it. Boyce stated that if we spend any more money on a lawyer, it should be to get the 6 people who don't pay HOA dues, to help pay for the sewer system. Jeanine Davies stated the smoking gun for either side is missing. All the money for a lawsuit will not solve the problem. If she was still on the Board she'd lean toward the special assessment district. Board Member Scott Morgan stated the first time he met with the City he was not satisfied with the City's proposition and he believes we should repair and maintain the sewer ourselves since we will never be satisfied with the City's standards. Board Member Mark Bantle stated he would like to see us start fixing things as we can. Mark thinks the City should own it, and he thinks we can prove that. Mark stated he is concerned with the HOA being responsible for future environmental problems if major leaks develop, so he prefers the HOA does not own the utilities. Board Member Matt Hinderliter stated since he is a new Board Member as of today, he will need to be brought up to speed, but based on what was heard today, it makes more sense to get it fixed and do it ourselves. The Board will need to go into a closed executive meeting to discuss the legal options on this matter.

Board Member Allen Lyon led a discussion of proposed rental rules. Owners in attendance stated opposition to the proposed fees and requiring the garage be rented with the home. It was explained by the Board that many parking issues in the past with renters caused extra work on the Manager's part and the Board's part which is the reason for the proposed fees. Owners in attendance rebutted that actual owners have caused problems too, and it is not just limited to the renters. It was explained by the Board that the limited parking in the Community is a problem, specially on holiday week-ends. The intent to require the garages be rented with the home is that it provides needed parking. If you have your boat locked up in your garage, and your renter cannot use your garage, then they fill up the parking lot. Owners in attendance rebutted that their renters are staying there to use their boats daily and would probably use the parking lot each night anyway rather than putting the boats away in the garage each night. Owners stated most boats these days are too big for the garages. Owners that rent seasonally and also use their home themselves, would like to be able to not rent their garage to be able to store their own personal belongings whether it be a boat or not. A majority of the owners in attendance do not support the proposed fees or the requirement that the garage always be rented with the home. Allen Lyon further explained the reason the Board would like to add the tenant's names, cell phone numbers, and vehicle information to the rental registration form is to be able handle parking problems immediately and directly with the tenant rather than going door to door trying to find these people or just calling the tow truck. If we can quickly and easily identify who owns vehicles, boats, and trailers, and we can call them on their cell, and we can quickly and easily resolve all the problems. A majority of those in attendance understood the rationale of revising the rental registration form to require this information. The owners in attendance did not want to have to provide their City of Needles license with each lease but agreed providing annually would be acceptable. The Fines and Penalties proposed did not provide much discussion or any disagreement. The Board agreed to table adopting Rental Rules and Fees and the Registration

Form. All comments heard today will be taken into consideration, and the Board will revise the document and distribute to the Membership for review prior to adopting.

The Board reviewed the 2018 1st quarter financial statements. The Reserve account has grown to \$167,548.76, and the checking account has \$10,056.02. Total cash on hand at 3-31-2018 is \$177,604.78.

With no further business, the Annual Meeting was adjourned at 10:44 A.M.